

# doxee

Continues growth to achieve the goal of emerging leader in CCM

Sector: Technology Services

**1H22 sales reached Euro 11.1 m, confirming our expectations (+21% YoY).** Doxee, Innovative SME and Italian leader in the development of cloud technologies, just announced a very strong set of 1H22 results with sales of Euro 11.1 m up by +21% YoY.

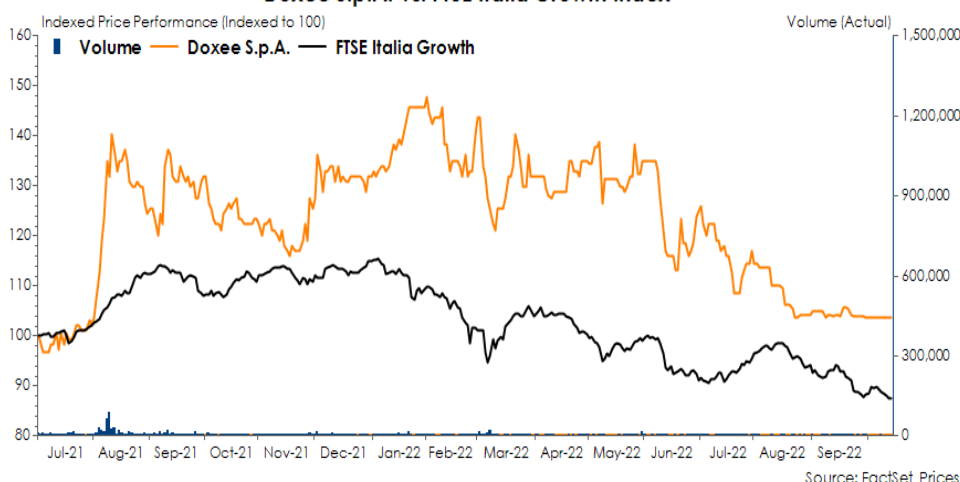
In terms of product lines, interactive experience (ix) and document experience (dx) showed the strongest results and increased by 36.9% and 20.4% respectively. The result achieved confirms the growth trend recorded in recent years and is attributable to the full interoperability of the three product lines document, paperless and interactive experience, enabled by the Doxee Platform®. In the first half of 2022, Doxee continued to operate as a key player in digitisation processes for companies and public administrations, acquiring new customers and successfully conducting upselling initiatives that allowed it to increase the value of production by more than 25% compared to the same period last year.

**Same level of profitability, despite significant investments during the period.** The substantial investments related to the strengthening of the organisational structure, the streamlining of internal processes and R&D made during the half-year, were reflected in an increase in indirect and R&D costs compared to the first half of 2021 (Euro 6.8 m as of 1H2022 compared to Euro 4.9 m as of 1H2021); therefore, EBITDA amounted to Euro 1.6 m, compared to Euro 1.5 m recorded on the same period of last year. In particular, investments in R&D amounted to Euro 3 m (Euro 1.9 m as of 30 June 2021) and correspond to approximately 20.5% of the Value of Production in the first half of 2022 (16.4% as of 1H2021), consistent with the Group's strategic objectives of product and process innovation. On the financial side, NFP was Euro 1.9 m (Euro 1.6 million as of FY21); the change was mainly due to the investments made during the period in R&D projects, which resulted in cash absorption.

**Positive outlook and another step towards internationalisation process.** On September 13<sup>th</sup> 2022 Doxee has signed a binding agreement to acquire 90% of Infinica GmbH ("Infinica"), a company specialising in software development in the Customer Communications Management sector, with an option on the remaining 10%. On September 29<sup>th</sup> 2022 the Group finalized the closing of the transaction, for a total deal consideration of Euro 9.5 m. Digitisation, customisation and attention to communication processes remain central to the market demand in the sectors where the Group operates most, such as Utilities, Telco, Finance and, increasingly, Public Administration, both central and local, also thanks to the PNRR push.

**Estimates revision and TP update.** We updated our DCF and multiples models to factor in our new estimates, updated risk-free rate, ERP and peers' multiples to obtain a new target price of Euro 13.47 p.s. (Euro 14.7 p.s. previously). At our target price the stock would be trading at 19.3x and 13.1x FY22-23 EV/EBITDA multiple.

Doxee S.p.A. vs. FTSE Italia Growth Index



Target Price **13.47** (14.7 pr.)

Price (€ m) **9.76**

Market Cap (€ m) **77.83**

EV (€ m) **79.43**

As of 17<sup>th</sup> October 2022

## Share Data

Market	Euronext Growth Milan
Reuters/Bloomberg	DOX.MI/DOX:IM
ISIN	IT0005394413
N. of Shares	7,974,772
Free Float	18.11%
CEO	Sergio Muratori Casali

## Financials

	2021A	2022E	2023E	2024E	2025E
<b>Sales</b>	<b>20.9</b>	<b>25.4</b>	<b>32.6</b>	<b>39.7</b>	<b>45.7</b>
YoY %	+18%	+22%	+28%	+22%	+15%
<b>EBITDA</b>	<b>5.3</b>	<b>5.7</b>	<b>8.3</b>	<b>11.7</b>	<b>16.7</b>
EBITDA %	20%	19%	22%	26%	32%
<b>EBIT</b>	<b>1.7</b>	<b>1.6</b>	<b>4.0</b>	<b>7.0</b>	<b>11.6</b>
EBIT %	7%	5%	11%	15%	22%
<b>Net Income</b>	<b>1.6</b>	<b>1.1</b>	<b>3.1</b>	<b>5.6</b>	<b>10.1</b>
<b>Net Debt</b>	<b>1.6</b>	<b>1.6</b>	<b>(0.6)</b>	<b>(5.5)</b>	<b>(15.8)</b>

## Performance

	1M	3M	6M
Absolute %	-0.4	-12.1	-21.0
Relative (FTSE Italia Growth)	7.01	-8.68	-12.0
52-week High/Low (Eu)	14.2	/	8.80

## Sustainability

ESG Profile available

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